

AMENDED IN ASSEMBLY MAY 7, 1996

CALIFORNIA LEGISLATURE—1995–96 REGULAR SESSION

ASSEMBLY BILL

No. 2118

Introduced by Assembly Member Hauser

January 31, 1996

An act to amend Section 25501 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 2118, as amended, Hauser. Alcoholic beverages: tied-house restrictions: brewing industry.

The Alcoholic Beverage Control Act prohibits a manufacturer, bottler, importer, or wholesaler of products of the brewing industry from furnishing, giving, renting, lending or selling, directly or indirectly, any equipment, fixtures, or supplies, other than alcoholic beverages, to any person engaged in operating, owning, or maintaining any on-sale premises, as specified.

This bill would, for purposes of that prohibition, provide that supplies do not include paper beverage coasters, *as specified*.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 25501 of the Business and
- 2 Professions Code is amended to read:

1 25501. No manufacturer, bottler, importer, or
2 wholesaler of products of the brewing industry shall:

3 (a) Furnish, give, rent, lend, or sell, directly or
4 indirectly, any equipment, fixtures, or supplies, other
5 than alcoholic beverages, to any person engaged in
6 operating, owning, or maintaining any on-sale premises
7 where alcoholic beverages are sold for consumption on
8 the premises. This subdivision shall not prohibit the
9 furnishing of draft beer pumps and iceboxes to those
10 persons who operate on a temporary basis. For the
11 purposes of this subdivision, supplies do not include paper
12 beverage coasters *less than 25 square inches in size and*
13 *having a value of less than five cents (\$0.5) per coaster.*

14 (b) Directly or indirectly, hold the ownership or any
15 interest, by stock ownership or otherwise, in any firm,
16 corporation, partnership, or business, furnishing,
17 supplying, or dealing in any office, store, or restaurant
18 furnishings or equipment, other than signs for interior use
19 or supplies authorized to be given under this division to
20 any person engaged in operating, owning, or maintaining
21 any on-sale premises.

22 (c) Notwithstanding any provision of this section, the
23 holder of a beer and wine wholesaler's license may
24 manufacture, distribute, and sell any lawful product to
25 any person engaged in operating, owning, or maintaining
26 any on-sale premises where alcoholic beverages are sold
27 for consumption on the premises, provided that these
28 products are sold by the holder of the beer and wine
29 wholesaler's license to the on-sale licensee at a price not
30 less than the current market price for the product.